

**DURHAM CITY COUNCIL WORK SESSION
THURSDAY, DECEMBER 20, 2007 – 1:00 P.M.
Committee Room – 2nd Floor – City Hall**

Present: Mayor Bell, Mayor Pro Tempore Cole-McFadden and Council Members Ali, Brown, Catotti and Woodard. Excused Absence: Council Member Clement.

**SUBJECT: PUBLIC DISCLOSURE REGARDING UDI COMMUNITY
DEVELOPMENT CORPORATION**

City Manager Baker recognized Larry Jarvis, Department of Community Development Associate Director, who read the following statement into the public record:

The Department of Community Development proposes to recommend to City Council a CDBG grant in the amount of \$75,000 to UDI Community Development Corporation (CDC) for the purpose of supporting the activities of its Small Business Incubator located on Mangum Street in Northeast Central Durham. Additionally, UDI CDC has submitted an offer to the Department of General Services to purchase 727 N. Mangum Street, a property acquired by the City in July 2000 using CDBG funds.

Because Mayor Bell is employed by UDI CDC, the City must comply with the provisions of 24 CFR 570.611, which addresses conflicts of interest under the Community Development Block Grant program. Prior to awarding CDBG funds to UDI for the Small Business Incubator or accepting an offer to purchase property acquired with CDBG funds, the City must first publicly disclose the nature of the conflict(s) and receive a written conflict of interest exception from the Department of Housing and Urban Development.

The mission of the Small Business Incubator is to foster small and minority business development and job creation primarily benefitting low to moderate income persons. If the CDBG funding is approved, Mayor Bell would not execute the contract on behalf of UDI, nor would he be involved in administering the contract. Additionally, neither the Mayor's salary at UDI nor his position would be affected by the contract.

Using \$30,000 in CDBG funds, the City of Durham purchased the vacant commercial property located at 727 N. Mangum Street in July 2000 as a part of implementing the Old Five Points Redevelopment Program. UDI CDC has submitted an offer to purchase this property for \$30,000 as a part of larger revitalization effort that includes 729 and 731 N. Mangum Street and 103 W. Corporation Street. UDI's offer is subject to the Upset Bid Procedure as outlined in G.S. 160A-269.

SUBJECT: CAROLINA THEATRE MANAGEMENT AGREEMENT

MOTION by Mayor Pro Tempore Cole-McFadden seconded by Council Member Catotti to suspend the rules of the City Council and take action on the above-mentioned subject was approved at 1:24 p.m. by the following vote: Ayes: Mayor Bell, Mayor Pro

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Tempore Cole-McFadden and Council Members Ali, Brown and Catotti. Absent At Time of Vote: Council Member Woodard. Noes: None. Excused Absence: Council Member Clement.

MOTION by Mayor Pro Tempore Cole-McFadden seconded by Council Member Catotti to authorize the City Manager to enter into a five year agreement with the Carolina Theatre of Durham, North Carolina to provide management services at the Carolina Theatre; and

To authorize the City Manager to modify the agreement before execution provided the modifications do not increase the cost of the contract, or materially reduce the Carolina Theatre's obligations was approved at 1:24 p.m. by the following vote: Ayes: Mayor Bell, Mayor Pro Tempore Cole-McFadden and Council Members Ali, Brown and Catotti. Absent At Time of Vote: Council Member Woodard. Noes: None. Excused Absence: Council Member Clement.

SUBJECT: RENEWAL OF THE CENTRANET TELEPHONE LINE SERVICE AGREEMENT WITH VERIZON SOUTH, INC.

MOTION by Mayor Pro Tempore Cole-McFadden seconded by Council Member Catotti to suspend the rules of the City Council and take action on the above-mentioned subject was approved at 1:24 p.m. by the following vote: Ayes: Mayor Bell, Mayor Pro Tempore Cole-McFadden and Council Members Ali, Brown and Catotti. Absent At Time of Vote: Council Member Woodard. Noes: None. Excused Absence: Council Member Clement.

MOTION by Mayor Pro Tempore Cole-McFadden seconded by Council Member Catotti to authorize the City Manager to execute a one-year contract with Verizon South, Inc. for the renewal of the CentraNet telephone lines service agreement in the amount of \$15,531.25 monthly or \$186,375.00 annually without taxes; and

To authorize the City Manager to modify the agreement provided that the modifications do not increase the dollar amount and the modifications are consistent with the general intent of the existing version of the agreement was approved at 1:24 p.m. by the following vote: Ayes: Mayor Bell, Mayor Pro Tempore Cole-McFadden and Council Members Ali, Brown and Catotti. Absent At Time of Vote: Council Member Woodard. Noes: None. Excused Absence: Council Member Clement.

SUBJECT: REIMBURSEMENT AGREEMENT BETWEEN NORTH CAROLINA DEPARTMENT OF TRANSPORTATION REGARDING THE DURHAM AMTRAK STATION

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MOTION by Mayor Pro Tempore Cole-McFadden seconded by Council Member Catotti to suspend the rules of the City Council and take action on the above-mentioned subject was approved at 1:24 p.m. by the following vote: Ayes: Mayor Bell, Mayor Pro Tempore Cole-McFadden and Council Members Ali, Brown and Catotti. Absent At Time of Vote: Council Member Woodard. Noes: None. Excused Absence: Council Member Clement.

MOTION by Mayor Pro Tempore Cole-McFadden seconded by Council Member Catotti to adopt a resolution authorizing the City Manager to execute a reimbursement agreement with the North Carolina Department of Transportation regarding the relocation of the Durham Amtrak Station; and

To authorize the City Manager to modify the agreement before execution provided the modifications do not increase the dollar amount of the agreement and are consistent with the general intent of the agreement was approved at 1:24 p.m. by the following vote: Ayes: Mayor Bell, Mayor Pro Tempore Cole-McFadden and Council Members Ali, Brown and Catotti. Absent At Time of Vote: Council Member Woodard. Noes: None. Excused Absence: Council Member Clement.

Resolution #9522

SUBJECT: TWO-THIRDS BONDS REIMBURSEMENT RESOLUTION

MOTION by Council Member Catotti seconded by Council Member Woodard to suspend the rules of the City Council and take action on the above mentioned subject was approved at 4:31 p.m. by the following vote: Ayes: Mayor Bell, Mayor Pro Tempore Cole-McFadden and Council Members Ali, Brown, Catotti and Woodard. Noes: None. Excused Absence: Council Member Clement.

MOTION by Council Member Catotti seconded by Council Member Woodard to adopt a resolution declaring the intent of the City of Durham to reimburse itself for capital expenditures incurred in connection with various public improvements from the proceeds of certain tax-exempt obligations to be executed and delivered during fiscal year 2009; and

To adopt an Ordinance amending the General Capital Improvement Project Ordinance, Fiscal Year 2007-08, as amended, the same being Ordinance #13428 for the purpose of adding \$12,250,000.00 in Two-Thirds Bonds Funds was approved at 4:31 p.m. by the following vote: Ayes: Mayor Bell, Mayor Pro Tempore Cole-McFadden and Council Members Ali, Brown, Catotti and Woodard. Noes: None. Excused Absence: Council Member Clement.

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Note: Mayor Pro Tempore Cole-McFadden expressed concern with the decrease in allocation for ADA and stated her no vote represented opposition to the ADA portion only.

Resolution #9523

Ordinance #13530

D. Ann Gray, CMC
City Clerk